

### Agency Legislative Budget

The following table summarizes the total legislative budget for the agency by year, type of expenditure, and source of funding.

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	5.04	0.00	0.50	5.54	0.00	0.50	5.54	5.54
Personal Services	410,889	11,104	30,275	452,268	12,608	30,275	453,772	906,040
Operating Expenses	886,194	69,329	2,976	958,499	81,014	0	967,208	1,925,707
<b>Total Costs</b>	<b>\$1,297,083</b>	<b>\$80,433</b>	<b>\$33,251</b>	<b>\$1,410,767</b>	<b>\$93,622</b>	<b>\$30,275</b>	<b>\$1,420,980</b>	<b>\$2,831,747</b>
State/Other Special	1,297,083	80,433	33,251	1,410,767	93,622	30,275	1,420,980	2,831,747
<b>Total Funds</b>	<b>\$1,297,083</b>	<b>\$80,433</b>	<b>\$33,251</b>	<b>\$1,410,767</b>	<b>\$93,622</b>	<b>\$30,275</b>	<b>\$1,420,980</b>	<b>\$2,831,747</b>

### Page Reference

Legislative Budget Analysis, A-13

### Executive Budget Comparison

The following table compares the legislative budget for the 2007 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2004	Executive Budget Fiscal 2006	Legislative Budget Fiscal 2006	Leg – Exec. Difference Fiscal 2006	Executive Budget Fiscal 2007	Legislative Budget Fiscal 2007	Leg – Exec. Difference Fiscal 2007	Biennium Difference Fiscal 06-07
FTE	5.04	5.04	5.54	0.50	5.04	5.54	0.50	
Personal Services	410,889	421,993	452,268	30,275	423,497	453,772	30,275	60,550
Operating Expenses	886,194	955,523	958,499	2,976	967,208	967,208	0	2,976
<b>Total Costs</b>	<b>\$1,297,083</b>	<b>\$1,377,516</b>	<b>\$1,410,767</b>	<b>\$33,251</b>	<b>\$1,390,705</b>	<b>\$1,420,980</b>	<b>\$30,275</b>	<b>\$63,526</b>
State/Other Special	1,297,083	1,377,516	1,410,767	33,251	1,390,705	1,420,980	30,275	63,526
<b>Total Funds</b>	<b>\$1,297,083</b>	<b>\$1,377,516</b>	<b>\$1,410,767</b>	<b>\$33,251</b>	<b>\$1,390,705</b>	<b>\$1,420,980</b>	<b>\$30,275</b>	<b>\$63,526</b>

The legislature increased the executive budget by \$63,500 in state special revenue for 0.50 FTE to allow the agency to respond to increased utility caseload issues.

### Agency Highlights

Consumer Counsel Major Budget Highlights	
♦	Biennial funding increases of \$238,000 over the FY 2004 base include: <ul style="list-style-type: none"> <li>Increased funding of \$63,500 over the biennium for 0.50 FTE</li> <li>Present law adjustments of \$142,000 over the biennium including \$61,000 to restore the contingency to \$250,000 per year, \$64,000 for consultants and professional services, and \$17,000 for miscellaneous expenses</li> <li>Statewide present law adjustments of \$32,000</li> </ul>

### Funding

The Consumer Counsel is funded by constitutionally earmarked tax levied on all regulated entities under the jurisdiction of the Public Service Commission (69-1-224, MCA). The Department of Revenue generates an amount which must be equal to the current appropriation to the office of the consumer counsel. The department computes the percentage based upon the company's total gross operating revenue for the previous fiscal year. The tax rate can be revised, with 30 days notice to regulated companies, to adjust for previous fiscal year carryover to avoid accumulation of a significant cash balance (69-1-224(1)(a), MCA) and to adjust for fluctuations in the actual gross operating revenue (69-1-224(2)(a), MCA).

### Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----						-----Fiscal 2007-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					11,104					12,608
Inflation/Deflation					(399)					(397)
Fixed Costs					4,406					4,413
Total Statewide Present Law Adjustments					\$15,111	\$16,624				
DP 1 - Present Law Base Adjustments										
	0.00	0	65,322	0	65,322	0.00	0	76,998	0	76,998
Total Other Present Law Adjustments										
	0.00	\$0	\$65,322	\$0	\$65,322	0.00	\$0	\$76,998	\$0	\$76,998
Grand Total All Present Law Adjustments					\$80,433	\$93,622				

DP 1 - Present Law Base Adjustments - The legislature approved a present law budget increase of \$30,646 each year to restore the contingency appropriation to the 2005 biennium level of \$250,000 per year, as well as increases over the biennium of \$64,000 for consultants and professional services, \$17,000 in miscellaneous expenses, and \$32,000 in statewide present law adjustments for a total of \$174,000.

The contingency (69-1-223,MCA) is for contract services, unanticipated caseload increases, and legal costs due to uncertainties related to supply and market conditions in the utilities industries. The 2003 legislature raised the contingency amount to \$250,000 per year. The 2005 legislature did the same.

Unused contingency funds are applied as a reduction to the calculated fees of the regulated entities for the subsequent fiscal year.

Figure 1 Contingency Growth	
Prior Biennia	\$200,000
2003	400,000
2005	500,000
2007	500,000

In the event the Consumer Counsel's caseload exceeds budget authority, the only option for emergency funding is a request in the supplemental bill of the next session because the agency's funding is state special revenue based upon tax rates.

**New Proposals**

New Proposals										
Program	FTE	-----Fiscal 2006-----				-----Fiscal 2007-----				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Add 0.50 FTE										
01	0.50	0	33,251	0	33,251	0.50	0	30,275	0	30,275
<b>Total</b>	<b>0.50</b>	<b>\$0</b>	<b>\$33,251</b>	<b>\$0</b>	<b>\$33,251</b>	<b>0.50</b>	<b>\$0</b>	<b>\$30,275</b>	<b>\$0</b>	<b>\$30,275</b>

DP 2 - Add 0.50 FTE - The legislature approved funding for 0.50 FTE to allow the Consumer Counsel to respond to increased utility issues while continuing to address ratepayer concerns about traditional rates and services issues.